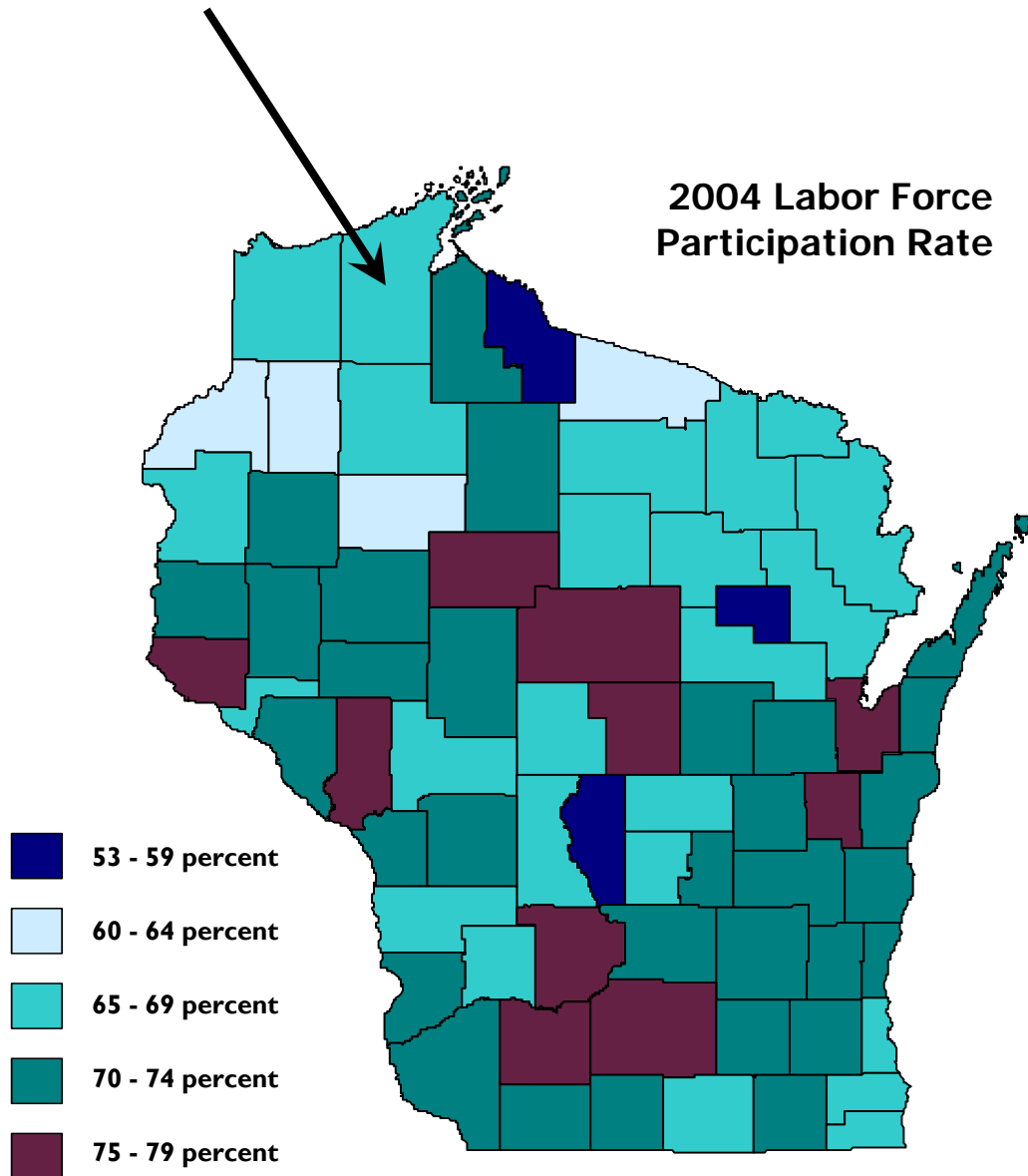


Bayfield County Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

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State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

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County Population and Labor Force

The population in Bayfield County did increase from 2004 to 2005 and since 2000 there are 639 new residents but there were fewer new residents in 2005 than in any of the previous four years. This was true for many of the neighboring counties, including Ashland County where the population decreased in 2004.

While not as robust as earlier years, the overall increase in population from 2000 was 4.3 percent, better than the state increase of 4.0 percent but slower than in the United States. The increase resulted primarily from the net migration of 653 residents. Since 2000 the number of deaths has exceeded births. The largest gains in population occurred in the towns of Russell, Bayfield and Iron River; and all but five municipalities, including the county's largest municipality, the City of Washburn, added population.

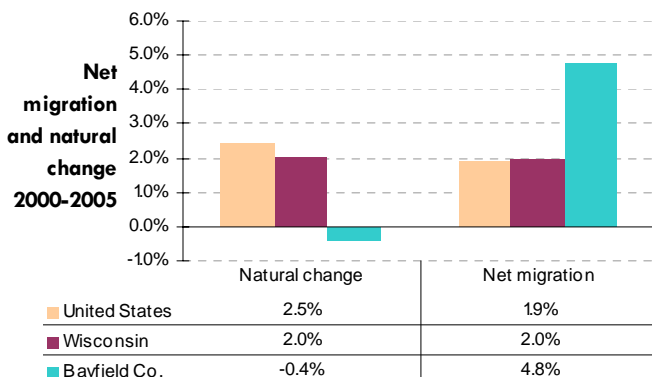
While there is evidence that some of the new residents moving to the county are middle-aged the population projections foretell a future where the elderly will make up an increasingly larger share of total population. In 2005, roughly 28 percent of the labor force age population (16 yrs. and older) is aged 60 years or older. By 2020 that share increases to 42 percent, among the highest in the state.

The labor force is a sum of factors that relate to the local population including lower participation rates for women than men, much higher participation rates for middle-aged residents than either the young or elderly, and declining partici-

Five largest municipalities in Bayfield County

	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Bayfield County	15,013	15,652	639	4.3%
Washburn, City	2,280	2,266	-14	-0.6%
Russell, Town	1,216	1,338	122	10.0%
Iron River, Town	1,059	1,129	70	6.6%
Cable, Town	836	837	1	0.1%
Barksdale, Town	801	829	28	3.5%

Source: Wis. Dept. of Administration, Demographic Services, August 2005



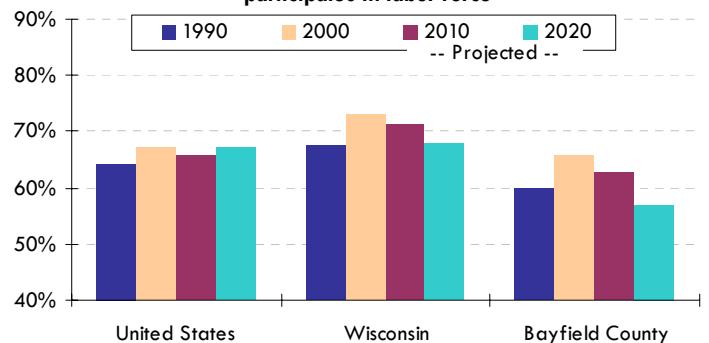
Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Population and Labor Force

	United States	Wisconsin	Bayfield County
Total population in 2000	281,424,602	5,363,715	15,013
Population est. Jan. 1, 2005	295,160,302	5,580,757	15,666
Change	13,735,700	217,042	653
% change	4.9%	4.0%	4.3%
2005 Labor force population*	224,837,000	4,339,938	12,697
Share of total population	76.2%	78%	81.0%
Labor force	147,125,000	3,071,179	8,324
Labor force participation rate	65.4%	70.8%	65.6%
2005 Population 16 yrs. & over	228,621,674	4,417,313	12,789
16-24 yrs old	37,489,370	743,764	1,917
Share of population 16+ yrs	16.4%	16.8%	15.0%
25-59 yrs old	142,248,896	2,708,865	7,336
Share of population 16+ yrs	62.2%	61.3%	57.4%
60 yrs and older	48,883,408	964,684	3,536
Share of population 16+ yrs	21.4%	21.8%	27.7%
Projected population: 2020	335,804,546	6,110,878	16,315
Population 16 yrs. & over	264,085,104	4,869,573	13,564
16-24 yrs old	37,918,865	681,586	1,232
Share of population 16+ yrs	14.4%	14.0%	9.1%
25-59 yrs old	150,678,402	2,756,884	6,672
Share of population 16+ yrs	57.1%	56.6%	49.2%
60 yrs and older	75,487,837	1,431,103	5,660
Share of population 16+ yrs	28.6%	29.4%	41.7%

* civilian population 16 yrs. and older not in an institution

Percent of labor force age population that participates in labor force



Source: special tabulation by OEA using US Census, US Bureau of Labor Statistics, WI Dept. of Admin. estimates and projections

pation from the white population. All of these factors contribute to lower participation rates in Bayfield County now and in the future. The current labor force participation rate of 65.5 percent is down only slightly from 2000 but it is indicative of where future participation rates are headed. By 2020 labor force participation could decline to 57 percent and even though the labor force population is projected to be larger the labor force will probably be smaller.

Revised Labor Force

The average labor force estimate for 2004 of 8,324 participants was the highest on record in Bayfield County. While the number of unemployed has changed very little since 1990 the number of employed residents increased by 25 percent from 6,150 to over 7,800.

All labor force estimates published from 1990 to 2004 have been revised. The more recent years reflect trends revealed during Census 2000 while the 1990s were updated to include changes from 1990 to 2000 but are still based on ratios from the 1990 census.

The number of employed residents in Bayfield is nearly double the number of jobs with local employers and exemplifies the fact that labor force estimates reflect where a worker lives not where they work. Literally thousands of Bayfield County residents travel to work in other counties, primarily Ashland County, on a daily basis.

Not apparent in an annual estimate is the large fluctuation that occurs in employment during a 12-month period. For instance, in 2004 the high-water mark occurred in July with 8,360 employed an increase of nearly 1,000 from the low of 7,390.

Bayfield County Civilian Labor Force Estimates

	Labor force	Employed	Unemployed	Unemployed rate
1990	6,659	6,153	506	7.6%
1991	6,678	6,123	555	8.3%
1992	6,867	6,342	525	7.6%
1993	7,146	6,615	531	7.4%
1994	7,496	6,946	550	7.3%
1995	7,429	6,929	500	6.7%
1996	7,572	7,107	465	6.1%
1997	7,752	7,258	494	6.4%
1998	7,483	7,002	481	6.4%
1999	7,394	6,971	423	5.7%
2000	7,728	7,325	403	5.2%
2001	7,981	7,539	442	5.5%
2002	8,040	7,540	500	6.2%
2003	8,134	7,612	522	6.4%
2004	8,324	7,805	519	6.2%

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

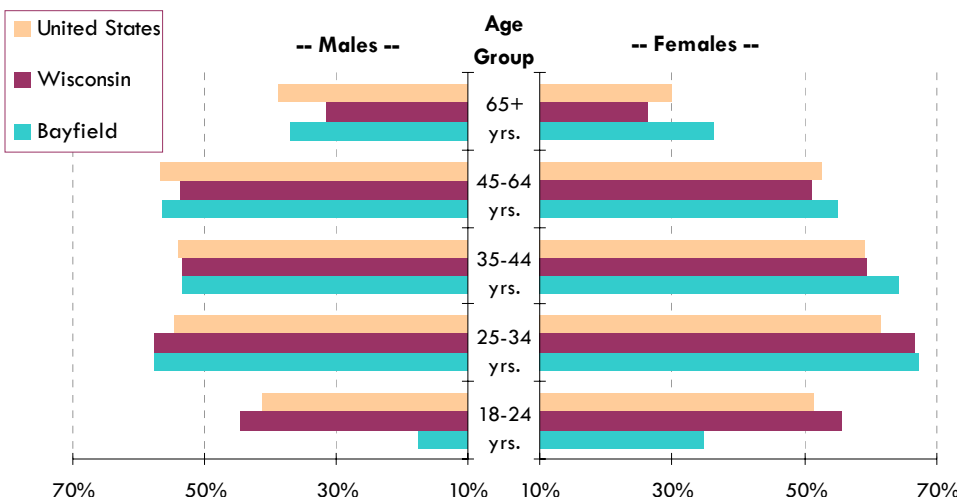
One of the most significant changes in employment that occurred during the last two decades was the shift from goods-producing to service-providing jobs. In tandem with this shift was the increase in demand for professional and technical workers employed in the high-skill services industries and the aggregation of these jobs in larger metropolitan areas.

Much of the job growth in high-skilled service jobs occurred

in larger metropolitan areas while expansion in more rural economies produced lower-skilled service jobs and goods-producing jobs. The main exception in rural areas was job growth in health care and education, two industries with female-dominated professional and technical occupations. For most counties in Wisconsin, including Bayfield, this helps explains why there is a greater proportion of females in nearly every age group with post-secondary education than males.

However, compared with Wisconsin and the United States, Bayfield County has a greater share of residents with post-secondary education in every age group except the youngest. This is contrary to patterns in most rural counties, especially since many of the available jobs in the county do not require advanced education. Bayfield County has always had a high proportion of residence with post-secondary education. Over one-fifth of the population is employed in occupations the require a degree and it can only be assumed that many are among those workers who commute out of the county for a job.

Residents with post-secondary education



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

Bayfield County is known as a vacation destination so it is no surprise that 28 percent of the jobs in the county are in the leisure and hospitality industry sector. A closer look at the sector reveals that two in every three of the 1,129 jobs in 2004 were with employers providing accommodation or food services and one-third of the jobs were with arts, entertainment and recreation employers, including gaming. The sector is the only one in the county with average annual wages that exceed comparable wages in the state. The fact that the sector is the largest source of jobs and also has the lowest average wage of all industry sectors doesn't improve the overall average wage in the county.

Overall, average wages in the county are only 60 percent of wages in Wisconsin and the increase in 2004 of 3.4 percent lagged the increase in the state of 4.0 percent.

The second largest source of jobs is the education (both private and public) and health services sector and the jobs are roughly divided between education and health care. With no large medical facilities in the county, however, the average wages in health services of \$18,578 are considerably less than the average in education of \$28,444. Although jobs were added by other employers, the increase of 118 jobs in 2004 is

Average Annual Wage by Industry Division in 2004

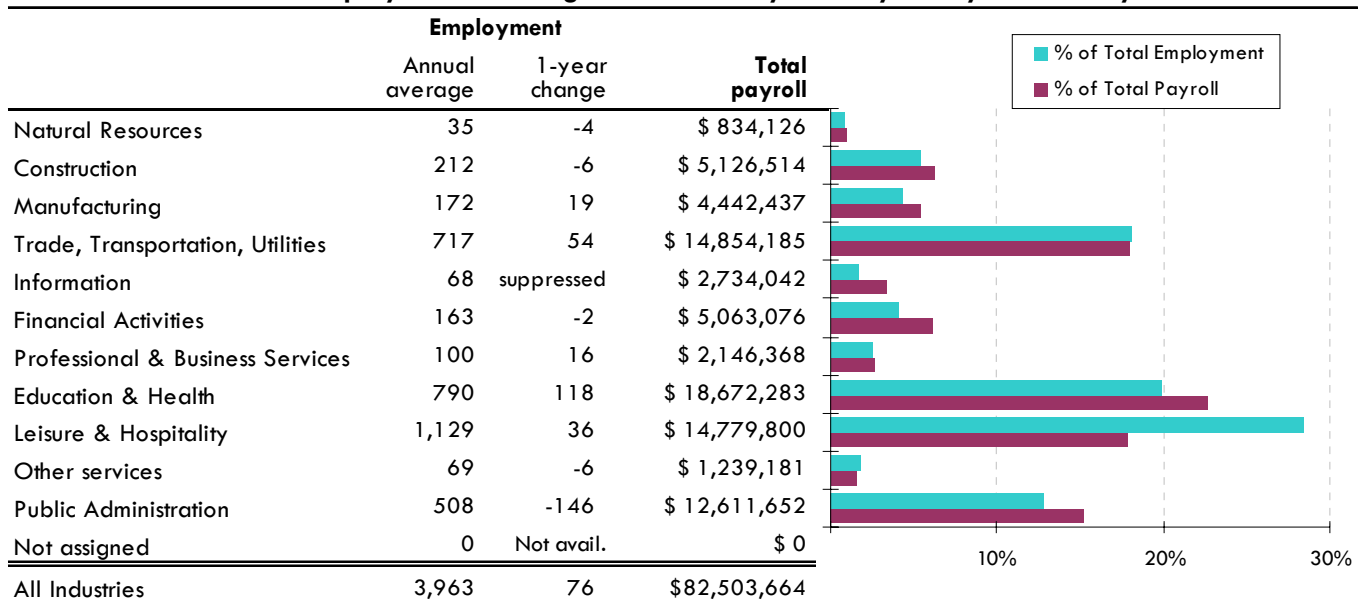
	2004		Percent of Wisconsin	1-year % change
	Wisconsin	Bayfield County		
All Industries	\$ 34,749	\$ 20,818	59.9%	3.4%
Natural resources	\$ 27,399	\$ 23,832	87.0%	18.3%
Construction	\$ 41,258	\$ 24,182	58.6%	5.7%
Manufacturing	\$ 44,145	\$ 25,828	58.5%	0.4%
Trade, Transportation, Utilities	\$ 30,088	\$ 20,717	68.9%	5.6%
Information	\$ 41,759	\$ 40,206	96.3%	Not avail.
Financial activities	\$ 45,103	\$ 31,062	68.9%	11.8%
Professional & Business Services	\$ 39,580	\$ 21,464	54.2%	5.2%
Education & Health	\$ 36,408	\$ 23,636	64.9%	0.6%
Leisure & Hospitality	\$ 12,295	\$ 13,091	106.5%	1.5%
Other services	\$ 20,207	\$ 17,959	88.9%	5.7%
Public Administration	\$ 36,347	\$ 24,826	68.3%	5.9%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

primarily the result of coding changes to the health services provided by the Red Cliff Tribe of Lake Superior Chippewa. These jobs were transferred from public administration and also explain much of the reduction in jobs that sector.

The second largest payroll and third largest source of jobs in the county is the trade, transportation and utilities sector. Annual average wages in this sector are the third lowest in the county and much lower than in the state. Part of the reason is that many of the jobs are part-time and much more seasonal than similar jobs statewide.

2004 employment and wage distribution by industry in Bayfield County



Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2005

Industry and Employers by Size

Top 10 Employers in Bayfield County

Establishment	Product or Service	Size (Dec. 2004)
Red Cliff Band, L.Superior Chippewa	Tribal governments	100-249 employees
County of Bayfield	Executive & legislative offices, combined	100-249 employees
School District of Washburn	Elementary & secondary schools	100-249 employees
School District of Bayfield	Elementary & secondary schools	100-249 employees
Northern Lights Healthcare Facility	Nursing care facilities	100-249 employees
Telemark Interval Owners Assn Inc	Hotels & motels, except casino hotels	50-99 employees
Isle Vista Casino	Casinos, except casino hotels	50-99 employees
Drummond Area School District	Elementary & secondary schools	50-99 employees
Lakewoods Inc	Hotels & motels, except casino hotels	50-99 employees
South Shore School District	Elementary & secondary schools	50-99 employees

Source: DWD, Bureau of Workforce Information, ES-202, July 2005

Prominent industries in Bayfield County

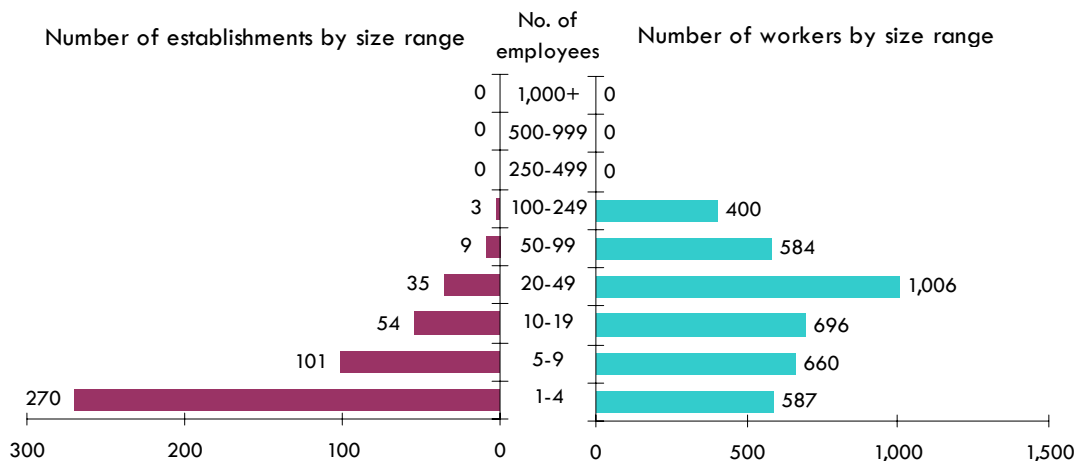
NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Educational services	7	435	-2	-5
Executive, legislative, & gen government	30	382	-20	-47
Accommodation	29	353	33	53
Food services and drinking places	45	319	-20	27
Amusement, gambling & recreation ind	13	181	12	19
Social assistance	5	147	-16	98
Nursing and residential care facilities	*	*	not avail.	not avail.
Ambulatory health care services	12	95	9	19
Construction of buildings	26	94	17	31
Food and beverage stores	7	89	8	-6

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Bayfield County establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

Evidence of the significance of the leisure and hospitality sector is visible in both lists on this page. In many counties establishments in this sector are too small to appear on the top employers list but in Bayfield County there are three. Also, several of the industry groups within the sector; accommodation, food services and drinking places, and amusement, gambling, and recreation; appear on the list of industries with greatest employment.

However, the two largest industry groups, educational services and executive, legislative and general government, are represented by the four largest employers in the county plus two other school districts on the list. The employers in education are generally large and, in Bayfield County, average 62 jobs per establishment compared with 7 jobs per establishment in food services and drinking places.

Overall, there are 558 establishments in Bayfield County with an average of 7 jobs per establishment. Less than one percent have more than 100 workers yet they provide ten percent of the jobs in the county. Nearly 82 percent of the employers have fewer than ten jobs but provide nearly one-third of all county jobs.

Per Capita Personal Income

The per capita personal income (PCPI) in 2003 in Bayfield County of \$22,660 ranked 11th lowest among Wisconsin's 72 counties. PCPI increased 3.0 percent in the last year and 13.4 percent since 1998. While the percent change over last year exceeded an increase in PCPI in the state of 2.5 percent, the change since 1998 of only 13.4 percent ranked 60th in the state and was far less than the growth in the state of 17.2 percent and is well below the Wisconsin PCPI of \$30,685.

The per capita personal income report from the US Dept. of Commerce, Bureau of Economic Analysis, includes wages and salaries from job-holders, self-employed, proprietorships, and farmers. It also includes income from dividends, interest and rent; and income from transfer payments like social security, Medicaid, unemployment insurance, veteran's benefits, and welfare. The total of all these sources of income is divided by the total population to arrive at the per capita personal income.

Factors such as a higher share of residents without income (generally children), or residents on a fixed income (generally the elderly) can lower the PCPI. Another factor that heavily influences PCPI is net earnings, which comprise 70 percent of total personal income in the state and comprise only 60 percent in Bayfield County. Net earnings include income from wages and salaries (including supplements), self-employment, proprietorships and an adjustment for wages earned by residents who commute to jobs in other counties. That totaled \$78,808,000 in 2003, or 38 percent of net earnings and 23 percent of total income.

In Bayfield County total per-

sonal income in 2003 was \$343,337,000 up 3.1 percent from 2002 and 16.6 percent from 1998. The increase in total county income kept pace with the increase in Wisconsin in the last year but both state and national changes over the five-year period. Income from residents working outside the county increased 4.8 percent in 2004 and 23 percent since 1998.

Wisconsin Counties 2003 Per Capita Personal Income and Rank in State

Area	2003	Rank	5-yr growth	Rank	Area	2003	Rank	5-yr growth	Rank
United States	\$ 31,472		17.1%		Manitowoc	\$ 27,807	27	13.6%	59
Wisconsin	\$ 30,685		17.2%		Marathon	\$ 29,992	16	22.0%	5
Adams	\$ 22,804	59	16.1%	37	Marinette	\$ 25,448	39	21.3%	9
Ashland	\$ 23,204	55	16.6%	32	Marquette	\$ 22,590	64	26.5%	1
Barron	\$ 24,922	41	15.2%	44	Menominee	\$ 18,449	72	19.8%	16
Bayfield	\$ 22,660	62	13.4%	60	Milwaukee	\$ 31,419	7	19.5%	18
Brown	\$ 32,076	5	17.8%	25	Monroe	\$ 23,467	54	16.8%	31
Buffalo	\$ 29,083	20	17.2%	28	Oconto	\$ 24,842	42	12.3%	66
Burnett	\$ 22,796	60	17.1%	29	Oneida	\$ 28,646	22	18.7%	21
Calumet	\$ 31,880	6	21.4%	8	Outagamie	\$ 30,952	11	20.5%	14
Chippewa	\$ 25,999	36	12.3%	67	Ozaukee	\$ 47,527	1	14.7%	48
Clark	\$ 22,227	66	13.9%	55	Pepin	\$ 24,407	44	13.0%	64
Columbia	\$ 30,846	12	18.2%	24	Pierce	\$ 27,963	26	18.6%	23
Crawford	\$ 22,628	63	20.9%	13	Polk	\$ 24,201	46	13.9%	54
Dane	\$ 36,455	3	21.0%	12	Portage	\$ 27,464	30	21.1%	11
Dodge	\$ 26,048	35	13.3%	61	Price	\$ 24,361	45	12.2%	68
Door	\$ 30,657	13	15.9%	40	Racine	\$ 31,271	8	15.0%	45
Douglas	\$ 23,568	53	15.3%	43	Richland	\$ 23,829	51	21.9%	6
Dunn	\$ 22,885	58	14.9%	47	Rock	\$ 28,256	25	14.1%	50
Eau Claire	\$ 27,469	29	17.5%	27	Rusk	\$ 20,461	71	14.0%	52
Florence	\$ 24,146	47	25.3%	3	Sauk	\$ 28,780	21	19.5%	19
Fond du Lac	\$ 29,951	17	16.1%	38	Sawyer	\$ 23,921	50	22.3%	4
Forest	\$ 21,975	68	25.4%	2	Shawano	\$ 23,941	49	13.9%	56
Grant	\$ 24,116	48	15.6%	42	Sheboygan	\$ 31,251	9	19.8%	17
Green	\$ 28,542	23	14.0%	51	St. Croix	\$ 31,091	10	13.6%	57
Green Lake	\$ 26,962	32	8.1%	72	Taylor	\$ 23,020	56	16.6%	34
Iowa	\$ 27,308	31	19.2%	20	Trempealeau	\$ 25,242	40	18.7%	22
Iron	\$ 22,912	57	21.1%	10	Vernon	\$ 20,950	70	15.7%	41
Jackson	\$ 26,084	34	21.9%	7	Vilas	\$ 25,664	37	13.0%	63
Jefferson	\$ 29,330	18	16.5%	35	Walworth	\$ 27,626	28	13.6%	58
Juneau	\$ 22,382	65	12.7%	65	Washburn	\$ 22,794	61	16.0%	39
Kenosha	\$ 29,117	19	16.5%	36	Washington	\$ 35,196	4	14.9%	46
Kewaunee	\$ 25,536	38	8.8%	71	Waukesha	\$ 41,551	2	12.2%	69
La Crosse	\$ 28,284	24	16.8%	30	Waupaca	\$ 26,863	33	14.0%	53
Lafayette	\$ 21,983	67	10.1%	70	Waushara	\$ 21,762	69	13.2%	62
Langlade	\$ 23,739	52	20.4%	15	Winnebago	\$ 30,359	15	16.6%	33
Lincoln	\$ 24,725	43	14.6%	49	Wood	\$ 30,401	14	17.7%	26

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005